

HIMEDIA PURSUES ITS NATIVE ADVERTISING DEVELOPMENT STRATEGY

- **SALE OF NON-STRATEGIC INTERESTS**
- **INCREASED STAKE IN NATIVE ADVERTISING SUBSIDIARY
QUANTUM**

Paris, 8 September 2016, 8:40 a.m. – Digital marketing specialist HiMedia Group (ISIN code: FR0012821890 – HIM, HIM.FR) has announced the sale of non-strategic interests and an increase of its stake in subsidiary Quantum.

HiMedia Group sold several non-strategic interests in August 2016. These transactions had no material effect on earnings but a significant impact on the Group's cash position. The sales concerned:

- Non-controlling interests in various startups for a total of €1.3 million;
- Part of the Group's interest in HiPay Group (representing 2.1% of the share capital) for a total of €1.1 million.

These transactions are in line with the Group's strategy of selling interests that are no longer strategic and part of the Group's ongoing divestment from HiPay Group, with its remaining stake standing at around 7.7%.

HiMedia also increased its stake in its native advertising subsidiary Quantum during the same period. In addition, the Group plans to acquire the programmatic native advertising management technology used by Quantum. This technology provides web publishers and advertising companies with solutions that significantly improve both advertisement visibility and click-through rates. The solution ensures minimum intrusion on the user experience and helps to prevent the installation of ad blockers. According to Business Intelligence, the native advertising market is expected to rise to \$36 billion in the United States in 2021 from \$16.7 billion in 2016. It is still in its early stages in Europe.

Quantum was set up as a joint venture in 2014, with the HiMedia Group gradually building up a controlling interest since that date. The company posted a 132% increase in revenue in first-half 2016. Quantum co-founder Mickael Ferreira has been appointed Chief Executive Officer.

Commenting on the transactions, Cyril Zimmermann, Chairman and Chief Executive Officer of HiMedia Group, said: *"Quantum is a key asset for our development because it's positioned both in native advertising and programmatic – two sectors driving growth in digital marketing. By*

increasing our stake in Quantum and acquiring the technology that is critical to its growth, HiMedia is forging ahead with its development strategy focused on native advertising, local advertising and the Spanish-speaking North American market. In place since the summer of 2015, this strategy is now beginning to pay off, as shown by our first-half 2016 return to profitability."

Next results announcement: Third-quarter results, on 8 November 2016 after market closing

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About HiMedia Group:

A pioneer in the sector, HiMedia is a European leader in digital marketing.

With operations in six European countries, the United States and Latin America, the Group reported revenue of €65 million in 2015.

Independent since its creation, the company is listed on Euronext Paris, in compartment C, and is included in the CAC Small, CAC All-Tradable and CAC SME indices. ISIN: FR 0012821890 / Symbol: HIM

For more information, visit: www.himediagroup.com/himedia and infofin@hi-media.com

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Approved by the HiMedia SA Board of Directors on 25 July 2016, the interim consolidated financial statements have been subject to a review performed by the auditors. The corresponding report on interim information as of 30 June 2016 is dated 27 July 2016, and is available as of 28 July 2016 on the Company's Internet site at the address www.himediagroup.com under the "Investors" heading.

This press release may contain certain forward-looking statements. Although HiMedia Group believes that these statements are based on assumptions that were reasonable as of the date of this press release, they are by their very nature subject to risks and uncertainties that could cause actual results to differ from those indicated or projected in these statements. HiMedia Group operates in a continually changing environment and new risks may emerge. HiMedia Group assumes no obligation to update these forward-looking statements to reflect any new information, future events or other circumstances.
